

Instructions for Form PTC-1: Production Tax Credit System Certification

Project Name: Provide here a descriptive name for the project or system for which you are seeking certification. Example: “XYZ Corp., Tempest Wind Project, Phase 1.” The project name you provide here will be used to identify this system in the future when you file Form PTC-2 for tax credit validation.

Alternative Location Information: The information provided for sites that do not have a standard street address should be sufficiently detailed and accurate that Utah State Energy Program (USEP) staff can find the system in order to conduct on-site verification of application information.

The system produces electricity for: Use these boxes to indicate whether the electricity you are producing is being sold, being used on-site, or some combination of both. If a taxpayer wishes to claim production tax credits for electricity used on-site and not sold, it must install a separate metering system to measure the electricity production of the commercial energy system. Such metering should be unidirectional, tamperproof, and should measure only the electricity production attributable to the commercial energy system. The meter must also measure net electricity from the system (i.e., gross electricity from the generator minus any electricity used to operate the system itself).

Estimate of annual kilowatt hours to be produced: Calculate the total annual estimated number of kilowatt hours that you expect the system to operate once the system has entered full-scale commercial production (after testing, fine tuning, and other preliminary operating conditions).

Date on which the system entered or is expected to be placed in commercial service: “Placed in commercial service” means the earliest point in time at which a commercial energy system 1) produces or is capable of producing at its maximum potential output and 2) sells all or some portion of its energy output or uses some portion its energy output for commercial activities located at the same site.

For wind energy systems: Information should be entered about all types of turbines used within the system, including similar models with different specifications (e.g., varying hub heights, blade lengths, etc.) If the system includes more types than will fit on Form PTC-1, you may attach additional pages. In addition to turbine information, applicants must include a map or maps showing the layout of the turbines included in the system.

For geothermal systems: Geothermal generating systems can include a variety of technologies within the same facility. For purposes of the production tax credit, separate but intertied generators, even when using different technologies, are considered to be part of the same system if located at the same facility. Enter information here on all generating turbines in the system including model information and the technologies used. If the system includes more generator types than will fit on Form PTC-1, you may attach additional pages. In addition to generator information, applicants must include a map or

maps showing the layout of both production and injection wells and the location of all generating turbines.

For biomass systems: A biomass system may use any of several feedstocks, energy production methods, and generator types. The taxpayer should include in this section a brief description that allows USEP to understand the technologies and equipment that are used within the biomass system and to determine whether the system meets the requirements for production tax credits. This includes the biomass source employed (e.g., municipal waste, sewage, manure, plant trimmings, etc.), the type of generator used, and any intermediate fuels or energy sources that are produced as part of the energy production system (e.g., methane, steam, plant oil, syngas) and are used to drive a generator. The technology used to derive energy or fuel from biomass must be clearly identified (e.g., anaerobic digestion, gasification, etc.).

Certification Process: Upon receipt of a request for certification (Form PTC-1), OED staff will assess whether the commercial energy system applying for production tax credit certification is a viable system and whether the system has been completely installed. OED may request that a field inspection take place to verify information in the certification request and to ensure that the system conforms with the requirements of Utah Code 59-7-614 and with Utah Administrative Code Rule R638-2.

OED will respond to a request for certification of eligibility for production tax credits within sixty days of receipt. However, if incomplete information is received or permission for field inspection has not been granted after sixty days, OED will have an additional 30 days after receipt of complete information and/or field inspection to respond positively or negatively to a certification request.

Consistent with Utah Code 63-46b (Administrative Procedures Act), upon its decision to grant or deny a certification request, OED will inform the requesting company in writing of its decision. A copy of the written decision will also be provided to the Utah State Tax Commission in order to document the company's eligibility to claim production tax credits on future tax returns.

Send Form PTC-1 along with photographs of the renewable energy system, required maps, and any additional pages to:

Office of Energy Development
60 East South Temple, 3rd Floor
Salt Lake City, UT 84111

If you have questions or need assistance, contact OED at 801-538-8718.